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ABSTRACT

The report examines the major components of 10 federal programs dealing with handicapped persons and describes points of cooperation. Information on governmental role, function, expectations, funding and service flows, and accountability is summarized for programs in three categories: child development/social services (Title XX, Social Services, Head Start, Supplemental Security Income); health (Early and Periodic Screening, Diagnosis, and Treatment; Maternal and Child Health; Developmentally Disabled Assistance and Bill of Rights Act; and Vocational Rehabilitation); and education (handicapped preschool and school programs and vocational education). (CL)

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P.L. 94-142: RELATED FEDERAL LEGISLATION FOR HANDICAPPED
CHILDREN AND IMPLICATIONS FOR COORDINATION

Published in cooperation with the Coalition for Children and Youth

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PREFACE

With the passage of P.L. 94-142 (Education for All Handicapped Children Act) has arisen the necessity to reexamine legislation relating to the handicapped in order to ensure the proper use of federal funds.

The Coalition for Children and Youth and the National Education Association believe that the information contained in this report is essential for all those who are in any way involved in working with handicapped children.

The federal agencies charged with the responsibilities of administering the programs relating to the handicapped have not yet verified the information in this report. We would, however, like to acknowledge their cooperation in this effort.

May 1978

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SUMMARY

No one sentence or paragraph can summarize the nature and extent to which the ten federal programs benefiting handicapped children do, or do not, work in conjunction with each other. No law actually prohibits programmatic coordination; however, the range of recommendations, provisions, and mandates for such activities varies greatly.

The Education for All Handicapped Children Act, P.L. 94-142, is the most recent federal legislation, and it provides comprehensive services to handicapped children. Extensive legislation enabling coordination between this program and other programs serving handicapped children has not as yet been enacted. In light of the present limited amount of legislation providing for coordination among programs for handicapped children, it is hoped that those who implement P.L. 94-142 will introduce legislation enabling effective and efficient coordination of P.L. 94-142's resources and services with those of other programs.

Vocational Education's statute mandates cooperation only with the state department of education. Title XX and Title V regulations mandate the inclusion of programmatic coordination in state plans. Title V also provides technical assistance for cooperative activities. For all handicapped children, P.L. 94-142 mandates the inclusion of plans for programmatic coordination in state plans and Individualized Education Plans. Title XIX and Vocational Rehabilitation regulations mandate the inclusion of plans for programmatic coordination in state plans; and in addition, these programs must make maximum use of related programs' resources. Head Start programs are responsible for implementing programmatic coordination, as well as including cooperative activities in program plans.

The Developmental Disabilities statute mandates the inclusion of programmatic coordination in its plans, and it also contains the most extensive legislation requiring the active and accountable coordination of the Developmental Disabilities' resources with those of other programs. However, the Developmental Disabilities program is comparatively small--in the amount of money it receives from the federal government and in the number of persons it serves--in relation to other federal programs for handicapped children. The Supplemental Security Income statute mandates the inclusion of programmatic coordination in its plans, and also contains an integrated and comprehensive mechanism for referral to other programs. However, the Supplemental Security Income referral mechanism has limited funding, and its effectiveness is therefore similarly limited.

The aim of this compendium is to look at the major components of ten federal programs that serve handicapped children and the ways, if any, in which the programs work in cooperation with each other. The programs have been placed in three general categories: child development/social services; health; and education. The summaries of the programs include the governmental role, function, expectations, funding and service flows, and accountability for each program. Where coordination exists between programs, the legislative enablement that specifies such activity has been recorded and charted.

EXISTING COORDINATION AMONG FEDERAL PROGRAMS FOR HANDICAPPED CHILDREN	Title XX	Head Start	Supplemental Security Income	TITLE V Maternal & Child Health/Crippled Children's Services	TITLE XIX Medicaid EPSDT	Developmental Disabilities	Vocational Rehabilitation	P.L. 94-142	Vocational Education
Title XX		Must plan and implement coordination. Possible funding for coordination.	Programmatic coordination in state plans. Provision for referral of 0-6 year olds.	Programmatic coordination in state plans. Funding available for coordination.		Must plan and provide for maximum use of resources. Must plan and provide for coordination.	Programmatic coordination in state plans. Provision for coordination.	Programmatic coordination in state plans.	
Head Start			Programmatic coordination in state plans. Provision for referral of 0-6 year olds.	Programmatic coordination in state plans.	Can be an EPSDT provider.		Not applicable.	Programmatic coordination in state plans.	
Supplemental Security Income	Programmatic coordination in state plans.	Must plan and implement coordination. Possible funding for coordination.		Programmatic coordination in state plans.		Must plan and provide for maximum utilization of resources. Must plan and provide for coordination.	Programmatic coordination in state plans. Provision for coordination.	Programmatic coordination in state plans.	
TITLE V Maternal & Child Health/Crippled Children's Services		Must plan and implement coordination. Possible funding for coordination.	Programmatic coordination in state plans. Provision for referral of 0-6 year olds.		Planning must provide for maximum utilization of resources. Can be a Title XIX provider.	Must plan and provide for maximum use of resources. Must plan and provide for coordination.	Programmatic coordination in state plans.	Programmatic coordination in state plans.	
TITLE XIX Medicaid/EPSDT	Programmatic coordination in state plans. Limited referral and information funds.	Must plan and implement coordination. Possible funding for coordination. Must account for use of EPSDT.	Programmatic coordination in state plans. Provision for referral of 0-6 year olds.	Programmatic coordination in state plans. Funding available for coordination.		Must plan and provide for maximum use of resources. Must plan and provide for coordination.	Programmatic coordination in state plans.	Programmatic coordination in state plans.	
Developmental Disabilities	Programmatic coordination in state plans.	Must plan and implement coordination. Possible funding for coordination.	Programmatic coordination in state plans. Provision for referral of 0-6 year olds.	Programmatic coordination in state plans. Funding available for coordination.	Can be a Title XIX provider.		Programmatic coordination in state plans.	Programmatic coordination in state plans.	

EXISTING COORDINATION AMONG FEDERAL PROGRAMS FOR HANDICAPPED CHILDREN	Title XX	Head Start	Supplemental Security Income	TITLE V Maternal & Child Health/Crippled Children's Services	TITLE XIX Medicaid EPSDT	Developmental Disabilities	Vocational Rehabilitation	P.L. 94-142	Vocational Education
Vocational Rehabilitation	Programmatic coordination in state plans.	Not applicable	Programmatic co- ordination in state plans.	Programmatic co- ordination in state plans. Funding available for coordination.	Must have maximum utilization of vocational rehabilitation resources. Can be a Title XIX provider.	Must plan and provide for maximum utilization of resources. Must plan and provide for co- ordination.		Programmatic coordination in state plans.	
P.L. 94-142	Programmatic coordination with public education in state plans.	Must plan and implement co- ordination. Possible funding for coordination. Participate in state plans for handicapped children.	Programmatic co- ordination in state plans. Provision for referral of 0-6 year olds.	Programmatic co- ordination in state plans. Funding available for coordination.		Must plan and provide for maximum utilization of resources. Must plan and provide for coordination	Programmatic co- ordination in state plans.		Mandated cooperative training activities with state departments of education.
Vocational Education		Not applicable.					Programmatic co- ordination in state plans.	Programmatic co- ordination in state plans.	

OVERVIEW OF THE EXISTING COORDINATION AMONG FEDERAL PROGRAMS

EDUCATION PROGRAMS

1. **HANDICAPPED PRESCHOOL AND SCHOOL PROGRAMS:** Education of the Handicapped Act, Title VI, Part B, as amended by P.L. 94-142. Section 504 of the Rehabilitation Act of 1973, Civil Rights for Handicapped Persons.

Federal Agency: Bureau for the Education of the Handicapped, Office of Education, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. Funds under P.L. 94-142 are allocated to the states through computation of a percentage of the national average per pupil expenditure in public schools multiplied by the number of handicapped children being served. There are no matching requirements.

The purpose of the Education for All Handicapped Children Act of 1975 (P.L. 94-142) is to provide handicapped children a free, appropriate public education that emphasizes special education and related services designed to meet their unique needs. The Act also assures that the states and localities will receive assistance in providing for the education of all handicapped children and in the assessment and assurance of the effectiveness of efforts to educate handicapped children.

The annual program plan is submitted by the state education agency (SEA) on behalf of the state as a whole. The plan includes the (a) SEA, (b) local education agencies and intermediary educational units, (c) other state agencies and schools (such as departments of mental health and welfare and state schools for the deaf and blind), and (d) state correctional facilities. Once states begin participating, local education agencies (LEAs) may apply to the SEA for funds. At least 75 percent of all monies must be allocated directly to the LEAs and up to 25 percent to the SEA, with a 5 percent limitation on administrative expenditures. The plans submitted (by the states to the Bureau for the Education of the Handicapped and by local school districts to the SEAs) must show how they will comply with the major elements of P.L. 94-142. Gubernatorial review of the state plan is required. Ultimate responsibility for overseeing the terms of the Act resides with the Commissioner of Education, not the Secretary of HEW.

Eligibility: The age requirements for eligibility are broad. The three major categories of eligibility are (a) all children covered by the state's public education laws, usually those 6 to 17 years of age, (b) children who presently receive services from any federally funded program, and (c) a child in any disability category required by state law or court order to be served. In 1978 all 3- to 18-year-old children shall be served, and in 1980 all 3- to 21-year-olds shall be served, unless this is prohibited by state law. States will receive incentive grants of up to \$300 per child if they provide special education and related services to children 3 to 5

years of age. Disabilities include those who are mentally retarded, hard of hearing, deaf, speech impaired, or otherwise health impaired, or those with specific learning disabilities that require special education and related services. The law applies to all children regardless of residence, whether it be with parents, in institutions, in group homes, or in foster homes. State plans must include estimated numbers of handicapped children and detailed information on the ways in which all eligible children in the state will be identified. Handicapped children not currently receiving special education and those with the most severe handicaps who are presently inadequately served must be served first. Handicapped children must be educated as much as possible with children who are not handicapped.

Range of Services Provided to a Child under P.L. 94-142. Transportation and the developmental, corrective, and supportive services required to assist a handicapped child to benefit from special education are provided, in addition to speech pathology and audiology, psychological services, physical and occupational therapy, recreation, early identification and assessment of disabilities in children, counseling services, and medical services for diagnostic or evaluative purposes. The law also includes school health services, social work services in schools, parent counseling, and training.

SEAs and local school districts must prepare plans detailing exactly how they intend to locate children with special needs. Section 121a.128, Identification, Location, and Evaluation of Handicapped Children, spells this out, as follows:

- (a) General requirement. Each annual program plan must include in detail the policies and procedures which the State will undertake or has undertaken to insure that:
 - (1) all children who are handicapped, regardless of the severity of their handicap, and who are in need of special education and related services are identified, located, and evaluated; and
 - (2) a practical method is developed and implemented to determine which children are currently receiving needed special education and related services and which children are not.
- (b) Information. Each annual program must:
 - (1) designate the State Agency (if other than the SEA) responsible for coordinating the planning and implementation of the policies and procedures under paragraph (a), and name the agency that participates in the planning and implementation, and describe the nature and extent of its participation.

Section 121a.138 Other Federal Programs: Each annual program plan must provide that programs and procedures are established to insure that funds received by the State or any public agency in the State under any other Federal program, under which there is specific authority for assistance for the education of handicapped children, are used by the State, or any public agency in the State, only in a manner consistent with the goal of providing free appropriate public education for all handicapped children, except that nothing in the section limits the specific requirements of the laws governing those Federal programs.

Section 121a.346 Content of an individualized education program: The IEP for each child must include a statement of the specific special education and related services to be provided to the child.

Annual reports are submitted to the Office of Education from the state department of education. States must hold annual hearings and consultations between SEAs and individuals concerned with the education of handicapped children and must ensure the establishment of an advisory panel to help develop information, evaluate programs, and report unmet needs of handicapped children.

Under P.L. 94-142, state school systems are mandated to identify, evaluate, and serve all handicapped children. DD, MCH, CCS, and EPSDT are charged with similar responsibilities.* At this time, however, regulations under P.L. 94-142 that specify coordination with other programs are tentative and await further decisive action on the part of the federal government.

2. VOCATIONAL EDUCATION: Vocational Education Act of 1963, as amended by Title II of the Education Amendments of 1976, P.L. 94-482.

Federal Agency: Commissioner, Office of Education, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. Ten percent of the funds for Vocational Education (VE) must be used for vocational education programs for handicapped individuals. The state board for vocational education applies for basic VE grants.

Each state must establish a state advisory council and certify a five-year state plan and annual program plan by the state board and state attorney general. A gubernatorial review of the state plan is required. The preparation of the five-year state plans and annual program plans must actively involve the representatives of 10 agencies, councils, and individuals and consultation with the state advisory councils. Applications are submitted to the Office of the Assistant Regional Commissioner of Occupational and Adult Education in the HEW regional office. Financial and Program Performance Reports are required. VE serves those retarded, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or otherwise health impaired persons who, by reason thereof, require special education and related services and who, because of their handicapping condition, cannot succeed in regular vocational education programs without special educational assistance or require a modified vocational education program.

Services Provided under Vocational Education. State support services for local vocational education programs include curriculum and materials development, training of program staff, specialized program support, salaries of selected personnel, vocational training of students, information to the public, placement of students, equipment needed for program/student success, supplies and instructional materials over and above standard school supplies, cooperative in-service training activities between the Office of Education and the Division of Vocational Education.

No specific mandate or provision under VE exists for the coordination of service plans or service delivery with other programs that serve handicapped individuals.

*DD = Developmental Disabilities; MCH = Maternal and Child Health; CCS = Crippled Children's Services; EPSDT = Early and Periodic Screening, Diagnosis, and Treatment.

CHILD DEVELOPMENT/SOCIAL SERVICES PROGRAMS

1. TITLE XX (SOCIAL SERVICES): P.L. 93-647, Title XX, 42 U.S.C. 1397.

Federal Agency: Administration for Public Services, Office of Human Development Services, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. Federal funds reimburse the states for 75 percent of social services costs (specified by the Secretary of HEW) that are expended in accordance with the regulations. Included are costs related to staff development and training programs, with the exception of family planning services, which are matched at 90 percent.

Beneficiary Eligibility: Any recipient of Aid to Families with Dependent Children, Supplemental Security Income payment recipients, or state supplementary payment recipients, as well as low-income recipients.

The state governors review state plans, amendments, quarterly estimates, and any other federally required reports. Applications are made in the form of a state plan. Federal funds must go to a certified state Title XX agency and be spent on the basis of a federally approved state plan. Federal funds may be used for the proper and efficient operation of social service programs to enable individuals to become or remain self-supporting and self-sufficient. A state program is to be directed at the goals of preventing or remedying neglect, abuse, or exploitation of children and adults unable to protect their own interests; preserving, rehabilitating, or reuniting families; and preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.

The authority and responsibility of a state Title XX agency includes the state plan and services plan and the authority and responsibility for federal funds, overall supervision, control, and oversight.

According to regulations published in the *Federal Register*, a state's Title XX Service Plan shall describe:

- a. How the planning, and the provision of services under the program will be coordinated with, and utilize the following programs: (1) under the Social Security Act: Title IV-A, AFDC (also WIN); Title IV-B, Child Welfare Services; Title XVI, SSI; Title XIX, Medicaid; (2) other appropriate programs for the provision of related human services within the state; for example, programs for the aging, children, mental health, medical and public health.

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- b. A general description of the steps taken to assure public participation in the development of the services program, including contacts with public and private organizations, officials of county and local general purpose government units, and citizen groups and individuals, including recipients.

Thus, in the regulations for Title XX, program and service coordination is mandated to be included in the state plan.

Further observations regarding coordination:

- a. Federal jurisdiction over Title XX agencies is limited because HEW does not have the authority to mandate the provision of special services or the level at which a state may fund any particular service.
- b. States are required to coordinate only their *planning* process with other agencies; the resulting programs need not be similarly coordinated.
- c. Under funded Title XX daycare, there are requirements for health assessments and referral to treatment.
- d. Title XX referral and information funds can only be used to contact individuals about Early and Periodic Screening, Diagnosis, and Treatment (EPSDT) if the individuals are already applicants for or recipients of Title XX.

2. HEAD START: Community Services Act of 1974: P.L. 93-644, Title V, Part A.

Federal Agency: Office of Child Development/Head Start, Office of Human Development Services, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Project Grants. HEW currently funds 1,150 Head Start grantees—which enroll 350,000 3- to 5-year-old children—to provide a comprehensive preschool program. Ninety percent of the program enrollees must be from families whose income is below the established poverty guidelines. Any public or nonprofit private agency that meets the above requirements may apply for a grant.

Formula and Matching Requirements: The 20 percent nonfederal share must be supplied. This share may be in cash or in kind—providing space, equipment, utilities, or personnel services.

Beneficiary Eligibility: Full-year Head Start programs are primarily for children age 3 up to the age when a child enters the school system, but some younger children may be included. Summer Head Start programs are for children who will be attending kindergarten or elementary school for the first time in the fall. No less than 10 percent of the total enrollment opportunities in Head Start programs in each state shall be available for handicapped children; and services shall be provided to meet their special needs.

The grantee, policy advisory group, and Head Start community representatives participate in a "pre-review" to develop plans and priorities. The standard application forms, furnished by the federal agency, must be used for this program. All funds are awarded directly to the grantees. Funds for local Head Start programs, some experimental programs, and some career development and technical assistance are awarded by the regional offices.

The objective for Head Start programs is to provide comprehensive health, educational, nutritional, social and other services primarily to preschool economically disadvantaged children and their families.

Compliance with Head Start regulations is ascertained through annual Self-Assessment/Validation Reports, which are prepared by the grantee and periodically audited by the appropriate regional office.

The Head Start program performance standards require that each enrolled child has a health screen (comparable with that provided by EPSDT) and receive whatever diagnostic and treatment services are needed. The Head Start grantee assumes responsibility for (a) follow-through and case management of an enrolled child's health needs and (b) referral to other HEW programs for services. Each grantee is also required to report quarterly the extent that EPSDT services are used in the particular program. An estimated 50 percent of Head Start children are eligible for EPSDT.

Powers and Functions of Head Start Agencies: Section 515 of P.L. 93-644 requires an agency to provide parents and area residents with any technical or other support they need to secure assistance from public and private sources. Three sections of P.L. 93-644 are relevant to collaborative services within Head Start programs:

- a. Section 511. The Secretary can provide financial assistance to an agency for planning, conduct, administration, and evaluation of a Head Start program which will provide such comprehensive health, nutritional, educational, social, and other services as will aid the children to attain their full potential.
- b. Section 517. Policies and procedures shall be established to insure that indirect costs attributed to the common or joint use of facilities and services by programs assisted under this part (Head Start), and other programs, shall be fairly allocated among the various programs which utilize such facilities and services.
- c. Section 522. The Secretary may provide directly, or through grants or other training for specialized or other personnel needed in connection with Head Start programs.

Head Start programs are required to account for the use of EPSDT services; and they also must provide for reasonable public access to information regarding other forms of available assistance. In addition, collaborative activities initiated by the Head Start agency may receive funding from HEW. Furthermore, a September 1975 agreement between the Office of Child Development and the Bureau for the Education of the Handicapped (BEH) provided for interagency collaboration by including the participation of Head Start in state plans for preschool handicapped children.

3. **SUPPLEMENTARY SECURITY INCOME (SSI):** Social Security Amendments of 1972, Title XVI, Parts A and B, P.L. 92-603, 93-66, 93-233, 93-368, 94-566, 94-569, and 94-585.

Federal Agency: Bureau of Supplementary Security Income, Social Security Administration, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Direct payments with unrestricted use. SSI establishes a uniform federal benefit level, which may be supplemented by state funds. Financial eligibility for SSI is determined by the state agency—the Disability Determination Services—which contract with the Social Security Administration to perform this function. Within the states, SSI for disabled children is administered by the state Crippled Children's Services or an alternate agency designated by the governor.

SSI provides monthly cash assistance payments to low-income blind or disabled children. In many states, a person eligible for Medicaid is also eligible for SSI. However, a child cannot receive SSI payments and also take part in Aid to Families with Dependent Children. If a child is eligible for both programs, the family must choose which one to use. A parent, guardian, or responsible person can apply for an SSI payment on a child's behalf. Federal SSI payments can be as much as \$177.80 a month. A child living in a public or private institution may be eligible for SSI payments of up to \$25 a month if the state's Medicaid program is paying more than half of the cost of the child's care.

Eligibility for SSI: Eligibility for SSI depends on the severity of the person's condition. To be considered disabled, a person must have a physical or mental impairment that has lasted (or is expected to last) for at least one year or that can be expected to result in death. *Blindness* is defined as central vision acuity of 20/200 or less in the better eye with the use of a corrective lens, or a visual field restriction of 20 degrees or less.

SSI Disability/Blindness Evaluation: The Social Security Administration (SSA) works within the state in deciding if a person is disabled or blind within the meaning of the law. The state agency evaluates reports from doctors, other professionals, hospitals, clinics, or institutions where the person has been treated. If additional examinations are needed, the SSA will pay the costs.

A child who is eligible for SSI is linked up with public assistance and, often, also with Medicaid and Crippled Children's Services.

Section 501 under Title V (Miscellaneous Provisions) of P.L. 94-566 (October 20, 1976) provides for *referral* of blind and disabled children under age 16 who are receiving benefits under SSI for appropriate rehabilitation services. Interim rules printed in the *Federal Register* mandate the establishment of an individual service plan for each disabled child referred by the SSA to the state agency. Service plans developed for the child in connection with other federal programs shall be incorporated into the SSI service plan developed according to Section 51a.306 (Program Requirements for Disabled Children Under 16 Years of Age). Other federal programs include the following:

- Services developed for crippled children under Title V.
- Individualized education programs developed for the handicapped child under Part B of the Education of the Handicapped Act.
- Habilitation plans for developmentally disabled children developed pursuant to the Developmental Disabilities Service Act.
- Individual, written rehabilitation programs developed for handicapped individuals under the Rehabilitation Act of 1973.
- Other individual service plans developed under the Medicaid program and the Community Mental Health Centers Program.

Requirements for cooperative agreements among agencies providing referrals and services under individual service plans are described in Section 51a. 309, as follows:

- (c) Referrals. The State plan shall provide for the prompt referral of disabled children for medical, educational, and social services based on the requirements of each child's service plan and the cooperative agreements described in Section 51a. 309.

This amendment to Section 1615 of the Social Security Act—also known as the Mikva Amendment—appropriated only \$30 million for 0- to 16-year-old disabled children. In actuality, the appropriated money will be concentrated in referral services for 0- to 6-year-old disabled children.

HEALTH PROGRAMS

1. EARLY AND PERIODIC SCREENING, DIAGNOSIS, AND TREATMENT: Title XIX, Social Security Act as amended; 42 U.S.C. 1396.

Federal Agency: EPSDT/Health Care Financing Administration, U.S. Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. EPSDT is financed through Medicaid. States are reimbursed for screening, diagnosis, and treatment by the federal government at rates of from 50 to 78 percent, depending on the state's per capita income. Reimbursement for services is paid by the state Medicaid agency directly to the individual or organization providing the services, at rates set by the state according to broad Medicaid requirements.

Beneficiary Eligibility: Medicaid pays for medical care for persons who are receiving cash payments under public assistance programs established by the Social Security Act: (a) Title IV-A, Aid to Families with Dependent Children and (b) Title XVI, Supplemental Security Income. Eligibility for benefits under either one of these programs means eligibility for Medicaid. In some states, persons under 21 may apply to a state or local welfare agency for medical assistance. The full scope of services authorized under Medicaid can be provided under EPSDT. Specifically, the EPSDT amendment to Title XIX of the Social Security Act requires that every state operating a Medicaid program must provide early and periodic screening, diagnosis, and treatment to all children eligible for Medicaid.

States are required to include in their Medicaid plans periodic health screening and follow-up treatment on all diagnosed conditions for all eligible children under age 21. Screening procedures vary from state to state. States are required to pay for and make available screening within 60 days of a family's request. Federal regulations for screenings recommend that the following procedures be included: general assessment of a child's physical health, growth, and development; as well as hearing, vision, and dental screening.

Under EPSDT, the states must make available and pay for diagnostic services for eligible children who are found through the screening process to be in need of further diagnoses. States must also make available and pay for treatment as needed by a child according to the amount, duration, and scope of treatment specified in the state plan. Treatment should include the provision of eyeglasses, hearing aids, and other kinds of treatment for hearing and visual defects, and some dental care.

EPSDT is the only existing federal program that gives low-income children access to a health care system for detective and preventive care. Although EPSDT regulations do mandate full treatment for a child's health problems, there is no guarantee that treatment will begin once a child has been screened and a treatment program developed. Many of the states do not keep specific records of the diagnoses and treatment received by children in EPSDT.

States are required to seek out and develop agreements with existing facilities and practitioners in the state who can provide EPSDT services. Although states must also develop an outreach program, they are not authorized to pay for outreach activities separately from medical service payments to providers or administrative payments to state and county employees. However, the section of the Medicaid law that authorizes the hiring of community workers for social services (42 U.S.C. Section (a) 5) could be applied for EPSDT outreach.

The U.S. Congress enacted a penalty provision as part of the 1972 amendment to the Social Security Act (Title II). The provision directs HEW to reduce matching funds for state programs for Aid to Families with Dependent Children by 1 percent if the states do not (a) inform AFDC families of the existence of programs for children, (b) provide transportation to the services, and (c) refer those children found by screening to need treatment to the appropriate services.

Accountability and Responsibility: The chief of the Health Care Financing Administration is directly responsible to the Secretary of HEW. The state Medicaid agency has primary responsibility for assuring that both federal and state requirements are carried out, but it can assign responsibility for various functions to different departments of the state government. The state Medicaid agency must establish and maintain standards for quality and services, as well as review the quality of care provided.

Federal requirements allow states the freedom to determine how EPSDT services will be made available. Each state designates one state agency, such as the Department of Human Welfare or Human Resources, to design and administer the state's Medicaid program. This single state agency determines what optional services the program will provide, what optional groups will be covered, and how the program will be carried out in each locality across the state.

Coordination: Agreements exist between the Medicaid agencies and Crippled Children's Services that could augment the range of services included and paid for by EPSDT programs. State Medicaid plans must provide for maximum use of the care and services available under Title V programs. A 1967 amendment to the Social Security Act linked Crippled Children's Services to Medicaid by mandating CCS to make early identification of children in need of health care and treatment and the Medicaid program to provide the needed EPSDT services. Both Vocational Rehabilitation and Medicaid are, by statute, mandated to maximize the use of the other's resources and programs.

In addition to state health and vocational rehabilitation agencies and the Title V program, many other federal- and state-supported health programs can provide medical care for Medicaid recipients, including Head Start and Developmental Disabilities. Many of these can play a key role in Medicaid because they reach people who do not have easy access to health services or who seem uninformed or unmotivated and may need special help. Although cooperation with these programs was not written into the Medicaid law—as were the relationships

with health, vocational rehabilitation, and Title V agencies—Medicaid policy nevertheless requires state agencies to accept all qualified providers who agree to comply with program requirements. As the program with primary responsibility to give health care to individuals eligible for Medicaid, the Medicaid agency has the same relationship to these programs as it does to any qualified provider. Medicaid can pay for the medical services it provides to recipients, within the limits of the state plan. Policies related to reimbursement, utilization review, medical review, and other administrative aspects of Medicaid apply to these programs just as they do to other providers.

2. **MATERNAL AND CHILD HEALTH (MCH):** Social Security Act, P.L. 74-271, Title V, Section 503, 42 U.S.C. 703. **CRIPPLED CHILDREN'S SERVICES (CCS):** Social Security Act, P.L. 74-271, Title V, Section 504, 42 U.S.C. 704.

Federal Agency: Associate Bureau Director, Office of Maternal and Child Health, Bureau of Community Health Services, Health Services Administration, Public Health Services, Department of Health, Education, and Welfare. CCS was established in 1969 as a division of the Bureau of Community Health Services within Public Health Services. In 12 states, however, the CCS program is administered by an agency that does not have authority over the MCH program.

Financing Disbursement: Both MCH and CCS have formula grants and project grants. MCH formula grants are available to state health agencies. Limited project grants are available to state health agencies and institutions of higher learning for special projects. CCS formula grants are available to state crippled children's agencies. Project grants are available to state crippled children's agencies and to institutions of higher learning. Under Title V, \$315 million was allocated to the state in fiscal year 1977 for the special health care needs of mothers and children.

Formula and Matching Requirements: One-half of the MCH funds are apportioned among the states by a formula specified in the law (Section 503 (1)). These funds are referred to as Fund A. Each state receives a grant of \$70,000 and such part of the appropriation remaining as the number of live births in the state bears to the total number in the United States. States must match dollar for dollar the funds allotted to them under this section. The other half of the MCH funds (Section (2)) is known as Fund B. From this fund an amount is administratively apportioned among the states for assistance in carrying out state plans. No matching is required for the funds allotted under this section.

One-half of the CCS grant funds are apportioned among the states in accordance with criteria specified in the law (Section 504 (1)). These funds are referred to as Fund A. Each state receives a grant of \$70,000 and such part of the appropriation remaining as the number of children under 21 in the state bears to the total of such children in the United States. States must match dollar for dollar the funds allocated to them under this section. The other half of the CCS grant funds (Section 504 (2)) is known as Fund B. From this fund, an amount is administratively allocated for special projects. The remainder of Fund B is apportioned among the states according to the state's financial need for assistance in carrying out its plan. No matching is required for the funds allocated under this section.

Beneficiary Eligibility: Under MCH, mothers, infants, and children in need of health care are eligible; for CCS, children under 21 years of age who are crippled or are suffering from conditions that lead to crippling (diagnostic services must be provided without any eligibility requirements) and trainees in the health professions.

A state's Title V program must be set forth in a state plan (specifying MCH services and CCS), which is approved by the Secretary of HEW. The regional health administrator makes the final decision regarding grant approval. The state health agency either administers the state's Title V plan or supervises its administration.

Services Provided Under MCH: The aim of MCH services is to reduce infant mortality and promote the health of mothers and children. MCH funds may be used for medical care and intensive nursing care for prematurely born and other high-risk infants; visits of public health nurses; support of hospital intensive care units for high-risk newborn infants; well-child clinics; pediatric clinics; promotion of health services; and screening, diagnosis, treatment, correction of defects, and aftercare—both medical and dental—for children and youth of school and pre-school age. Also covered are school health programs, dental care for children and pregnant women, family planning, immunizations against preventable diseases, and training of professional personnel. States conduct special clinics for mentally retarded children where diagnostic, counseling treatment, and follow-up services are provided. These grants may be used for the provision of health services and care from hospitals and other providers. Section 508 of Title V (Special Project Grants for Maternal and Infant Care) provides grants to help reduce the incidence of mental retardation and other handicapping conditions associated with child-bearing.

Services Provided Under CCS: Grants may be used for locating crippled children and providing medical, surgical, corrective, and other services for the diagnosis, hospitalization, and aftercare of such children; and for the training of professional personnel to deal with special children's health care needs. Grants may be used to purchase services and care from hospitals and other providers; to operate state and county health departments, clinics, and health centers; and to conduct school health examinations.

Reports: Both Title V programs must provide annual progress reports, annual statistical program reports, and annual expenditure reports.

Coordination: Within the regulations for Title V, Section 51a.121 specifies cooperation with other agencies and groups. The state plan must contain an assurance of cooperation with the state agency that administers Title XIX (Medicaid) and with other medical, health, education, and welfare groups and organizations. Thus, there must be plans for coordination within a state's Title V plan. Also, there are special project grants for the health of preschool and school children. Section 509 of Title V avails money to grantees who coordinate health care and services in their own projects with other state or local health, welfare, and education programs. Under a state's CCS plan, Title V provides for cooperation with any state agency charged with the administration of the state laws that provide vocational rehabilitation for physically handicapped children. State Medicaid plans must provide for maximum use of the services available under the state's Title V plan. In general, a state's Title V plan must coordinate its services with related services under other programs. However, apart from the general

accountability that exists within the regional offices for state plans, there is no specific accountability for coordination or for compliance with the required inclusion of coordination in state plans.

3. DEVELOPMENTALLY DISABLED ASSISTANCE AND BILL OF RIGHTS ACT (DD): P.L. 94-103, October 1975.

Federal Agency: Developmental Disabilities Office, Office of Human Development Services, Office of the Secretary, Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. DD is a federal grant-in-aid program to assist the states in developing a comprehensive and continuing plan for meeting the needs of persons who have a disability resulting from mental retardation, cerebral palsy, epilepsy, or autism that originates before age 18 and is a substantial handicap; and in implementing a system of protection and advocacy of individual rights. Services are directed toward the social, personal, physical, or economic habilitation or rehabilitation of a disabled person.

The DD formula grant program operates through two main mechanisms: a state Planning Council and a designated state agency. Allotments under basic formula grants may be used for state or local planning and administration relating to services and facilities for persons with developmental disabilities, for providing assistance to public or private nonprofit agencies for the delivery of services, and for the construction of service facilities. Funds for construction may not exceed 10 percent of the state's allotment; funds for administrative costs may not exceed 5 percent of the state's allotment or \$50,000, whichever is less.

To apply for a DD grant, a plan must be prepared by the designated state agency and approved by the state Planning Council. The plan is submitted to the DD office of the appropriate HEW regional office.

Formula and Matching Requirements: Allotments are determined as follows: two-thirds on the basis of total population weighted by financial need as determined by relative per capita income for each state and one-third on the basis of a need factor based on the scope and extent of the services to be provided under the state plan. The federal share of activities supported under the state plan may not exceed 75 percent, except for activities in urban or rural poverty areas, which may not exceed 90 percent of the total cost. No fixed matching is required for advocacy allotments. Quarterly progress reports and financial status reports are required.

Under the DD program, the states are mandated to provide the following services to the developmentally disabled and substantially handicapped: evaluation, diagnosis, treatment, information and referral, counseling, and transportation.

Habilitation Plan: States receiving federal support must assure the Secretary of HEW that every program has a habilitation plan for each developmentally disabled person receiving services under the Act and that they provide for annual review of each plan. The Act stipulates that habilitation plans shall (a) be developed jointly by representatives of the service delivery organization, the disabled person, and—where appropriate—the disabled person's parents or other representative, (b) provide for evaluation of the program, (c) conduct an annual

review, (d) state what specific services are to be provided, identifying the personnel and agencies involved and the duration of the services, and (e) specify the role and objective of the persons implementing the plan.

Associated with the DD program are the DD Program Staff, National DD Advisory Council, National Conference of DD State Councils, and the American Association of University Affiliated Programs.

The Secretary of HEW is required to issue general regulations to cover (a) the kinds of services needed to provide adequate programs and the persons to be served, (b) the standards for the scope and quality of services, (c) the general manner in which the states shall determine priorities, in addition to special consideration given to poverty areas, and (d) general standards of construction and equipment. The DD office in HEW administers the DD program in tandem with state Planning Councils and designated state agencies. The state Planning Councils consist of representatives of principal state service agencies, service providers, and consumers who serve as advocates for the developmentally disabled. The state Council is charged with the general guidance and direction of the program. It has the authority to set fiscal priorities, goals, and strategies for the best manner in which to carry out the program. However, the designated state agency actually administers the program. The DD statute and HEW regulations are unclear as to which component of the program—state Council or state agency—has the primary responsibility for the development of the state plan.

Coordination: A state will not receive funds under the DD Act unless it submits a state plan that complies with certain requirements mandated by the Act. To receive federal funds, a state plan must show how the state's service programs will be integrated with existing ones and how it plans to use all available resources from Vocational Rehabilitation, public assistance, Medicaid, Title V, BEH, and others. P.L. 94-103 provides for the commingling of funds to develop comprehensive services for the developmentally disabled through the combination and integration of the services provided by several state HEW and rehabilitation agencies. Section 1386.46 (c) of the Act states that the state plan shall describe how the federal funds will be used to complement and augment, rather than duplicate or replace, services and facilities that are eligible for assistance under other state programs.

The components of P.L. 94-103 provide for responsive and responsible administration of the Developmental Disabilities Act, as well as for regulations that specify coordination in DD plans and service delivery.

4. **VOCATIONAL REHABILITATION (VR):** Rehabilitation Act of 1973, P.L. 92-112; Rehabilitation Amendments of 1974, Title I, P.L. 93-516, P.L. 94-230, 29 U.S.C. 701.

Federal Agency: Rehabilitation Services Administration, Office of Human Development Services, Office of the Secretary, Department of Health, Education, and Welfare.

Financing Disbursement: Formula Grants. State agencies are designated as the sole state agency to administer the VR program. The state plan must be coordinated with the governor's office. The state agency must certify the availability of state funds for matching purposes. Federal funds are distributed

according to a formula based on population weighted by per capita income squared. VR agencies submit project proposals to appropriate HEW regional offices.

The VR program provides vocational rehabilitation services to persons of employable age (15 years or older) with mental and physical handicaps. Service priority is placed on the needs of those persons with the most severe disabilities. The states spend \$1 billion annually in federal and state funds for services directed at physically and mentally disabled citizens who are potentially capable of entering or returning to the labor market.

Beneficiary Eligibility: Eligibility for VR services is based on the presence of a physical or mental disability, the existence of a substantial handicap to employment, and a reasonable expectation that VR services may render the individual fit to engage in gainful occupation. Federal and state funds cover the costs of providing rehabilitation services, which include outreach, diagnosis, comprehensive evaluation, counseling, training, reader services for the blind, interpreter services for the deaf, and employment placement. Services also include assistance with payment for medical and related services and prosthetic and orthotic devices, transportation to secure rehabilitation services, and assistance in the construction and establishment of rehabilitation facilities. Services are provided to the families of handicapped individuals if such services will contribute substantially to the rehabilitation of such handicapped individuals.

Required Reports: Annual and quarterly progress reports, annual budget, case-service reports, annual program and financial plans.

Coordination: The Secretary of HEW can approve the sharing of state agency finances and administration with other state agencies involved in programs for handicapped individuals. State plan requirements provide for the state VR agency's cooperation with and use of the services of the state agency administering the state's public assistance program and other federal, state, and local public agencies providing services relating to VR services, including Medicaid resources and programs.

State Medicaid plans must provide for written cooperative agreements with state VR agencies. Many of the handicapped individuals eligible for services under VR are also eligible for Medicaid. Under the Rehabilitation Act of 1973 (Section 101 (a) (8)) and implementing regulations (45 CFR 1361.45 (b)), the state VR agency must give full consideration to any similar benefits available to a handicapped person under any other program to meet in whole, or in part, the cost of certain services. If Medicaid can provide physical and mental restoration services to a handicapped individual, this similar benefit provision would apply. The particular state agencies make the decisions about the conditions under which Medicaid reimbursement is to be made.

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APPENDIX

	<u>Child Find/ Outreach</u>	<u>Screening</u>	<u>Diagnosis</u>	<u>Referral</u>	<u>Treatment</u>	<u>Training</u>
Social Services Programs						
Title XX, Social Services P.L. 93-647, 42 U.S.C. 1397 <i>Optional, 0-5 years</i>			X	X		Day care personnel
Head Start, Community Services Act 1974 P.L. 93-644, Title V, Part A <i>Required, 0-5 years</i>		X	X	X	X	Head Start personnel & Child Development Associates
Supplemental Security Income Social Security Amendments 1972 Title XVI, Parts A and B P.L. 92-603, 93-66, 93-233, 93-368, 94-566, 94-569, 94-585			X	X Blind and disabled under 16	X Individual service plans	
Health Programs						
Early and Periodic Screening, Diagnosis, and Treatment Social Security Act as amended Title XIX, 42 U.S.C. 1396 <i>Financed through Medicaid; required for all children eligible for Medicaid</i>	X	X	X		X (No guarantee)	
Maternal and Child Health Social Security Act, P.L. 74-271 Title V, Section 503, 42 U.S.C. 703 <i>Mothers, infants, and children</i>		X	X	X	X	
Crippled Children's Services Social Security Act, P.L. 74-271 Title V, Section 504, 42 U.S.C. 704 <i>Under 21</i>	X	X	X	X	X	Professional personnel
Developmental Disabilities P.L. 94-103 (Oct. 1975) <i>Substantial handicaps originating before age 18</i>		X	X	X	X Individualized habilitation plans	
Vocational Rehabilitation Rehabilitation Act 1973 P.L. 92-112 <i>Age 15 and under</i>	X	X	X	X	X	
Education Programs						
- Education of the Handicapped Act Title VI, Part B, Amended by P.L. 94-142, Section 504, Rehabilitation Act 1973, Civil Rights for Handicapped Persons - All children covered by states' public education laws - Children presently receiving funds from federal programs - A child in any disability category required by state law or court order to be served 1978: all 3- to 18-year-olds. 1980: all 3- to 21-year olds, unless prohibited by state law	X	X	X		X	Parent
Vocational Education Act 1963; Amended by Title II, Educa- tion Amendments 1976, P.L. 94-482 <i>10 percent handicapped</i>					X	Staff